

LETTER OF INTENT

May 13, 2002

PURPOSE/VISION:

This Letter of Intent documents a commitment by the State of Nevada, Division of Environmental Protection (NDEP) and the U.S. Department of Energy, National Nuclear Security Administration, Nevada Operations Office (NNSA/NV) Environmental Management (EM) program to accelerate its major environmental management project activities, with the exception of the Underground Test Area Project, to achieve fundamental cleanup completion of the Nevada Test Site by 2010 rather than 2020. Accelerated activities include Industrial Sites and Soils corrective actions required under the Federal Facility Agreement and Consent Order (FFACO); and the shipment of legacy transuranic waste to the Waste Isolation Pilot Plant (WIPP). Additionally, NNSA/NV EM and NDEP commit to implementation of the renegotiated strategy for the Underground Test Area and to explore further opportunities to accelerate UGTA activities. The parties also commit to continue to support the Department of Energy (DOE) Environmental Management (EM) mission of expedited cleanup. NNSA/NV EM will, operate its low-level waste and mixed-low-level waste disposal facilities for the DOE complex in compliance with all applicable Federal and/or State law(s). Additionally, this Letter documents previous agreements made by the Department with the State of Nevada and the NNSA/NV EM program as well as results of the Top-to-Bottom Review.

PRINCIPLES:

- NNSA/NV EM and its contractors will continue to ensure that all of their activities are conducted in accordance with Integrated Safety Management principles, compliant with applicable state and federal regulations, and are protective of human health and the environment. Risk reduction will be the primary focus of the program's activities.
- NNSA/NV EM and its contractors will take all necessary steps to accelerate cleanup activities and ensure these activities are properly funded. Accelerated cleanup at the NTS will be focused on the following:
 - Implementation of the previously negotiated acceleration of Industrial Sites corrective actions for a schedule acceleration of two years with cleanup anticipated to be completed in 2008.
 - Implementation of the recently renegotiated corrective action strategy regarding the Underground Test Area project and continue working with the state regulator and stakeholders to ensure project activities efficiently and effectively reflect the negotiated parameters.
 - Acceleration of plutonium contaminated soils corrective actions by 10 years at the recently negotiated (with the Air Force) correction action levels of 1000pCi/g based on a military land use scenario and an exposure dose level of 25mrem. Cleanup is anticipated to be completed in 2010.

- Acceleration of verification activities and the subsequent shipment of legacy transuranic waste to WIPP for a schedule acceleration of two years with closure of the project anticipated to be in 2007.
- NDEP will continue its long-standing constructive, cooperative partnership with the NNSA/NV EM program to ensure state regulator goals and objectives are met through expedited cleanup of activities under the purview of the FFACO. The regulator will provide proactive, appropriately focused, and timely review and comments on all applicable regulatory documents. In turn, NNSA/NV EM will ensure that all state oversight programs (cleanup and AIP) are properly funded to meet its obligations in support of the NNSA/NV EM program. The long-standing constructive cooperative working relationship between NDEP and NNSA/NV EM has positively effected changes in NNSA/NV EM priorities, strategies, work practices, and commitments; and created an environment for dealing with other issues, including ones having impact to the DOE complex.
- NNSA/NV EM will continue their stakeholder involvement program to ensure the public is appropriately involved in providing advice and recommendations regarding activities under the purview of NNSA/NV EM.
- The NNSA/NV EM program will, to the extent authorized by Federal and/or State law(s), operate its low-level and mixed-low-level waste disposal facilities. The NDEP will continue to process NNSA/NV's RCRA Part B Application for a disposal facility for mixed wastes from the complex, and it is anticipated that all requirements and programmatic issues related to the Application will be acceptably addressed and resolved by September 2003. The NDEP will continue to carry out its low-level waste oversight responsibilities in accordance with the Joint DOE/State Low-Level Waste Oversight Agreement, effective July 1, 1999, (Attachment X to the Agreement in Principle Between the Department of Energy and the State of Nevada).
- NNSA/NV EM and the state regulator will continue to evaluate opportunities under terms of the FFACO to improve cost and schedule performance of agreement activities.
- NNSA/NV and its contractors will complete an internal commitment document that focuses on accelerated cleanup and maintenance of waste disposal capability.
- NNSA/NV EM considers this Letter of Intent, together with achievement of the items delineated above, to meet the objectives called for in the President's fiscal year 2003 budget request for sites to reach new agreements with state and federal regulators to help accelerate and improve cleanup performance.
- DOE and its contractors will develop a Performance Plan by August 2002. The plan will include actions, milestones, responsibilities, business processes, and acquisition strategies necessary to achieve the agreements made in this letter. The Department recognizes that funding commensurate with the approved performance plan is necessary to achieve the above-stated goals of acceleration and closure. NDEP will review the performance plan to assure that the previously agreed to funding for the baseline scope of work as well as funding for the incremental accelerated cleanup activities are sufficient to implement this Letter of Intent.


- NNSA/NV is actively engaged in implementing strong, aggressive project management and business/contract management within its activities, processes, and contracts to ensure cost-effective, efficient management and acceleration of activities under its purview. Using these systems, NNSA/NV EM will demonstrate its ability to achieve the actions described in this Letter of Intent.

We, the undersigned, are committed to work together to implement these work plan agreements, the actions in this Letter of Intent, and to seek additional opportunities to accelerate and improve cleanup.



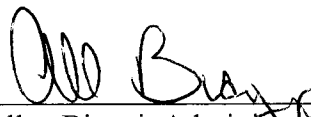
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5/13/02
Date




Kathleen A. Carlson
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Date



Allen Biaggi, Administrator
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Jessie H. Roberson
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5/23/02
Date